

Message Text

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ACTION NEA-16

INFO OCT-01 ISO-00 SP-03 AID-20 EB-11 NSC-07 RSC-01

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COME-00 FRB-03 INR-11 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 L-03 H-03 DODE-00 PA-04 USIA-15 PRS-01 PM-07

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FM AMEMBASSY NEW DELHI

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INFO AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

AMEMBASSY KATHMANDU

AMEMBASSY ISLAMABAD

AMEMBASSY COLOMBO

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E.O. 11652: N/A

TAGS: PINT, IN

SUBJ: JULY 19-21 ALL INDIA CONGRESS COMMITTEE MEETING

REFS: A. NEW DELHI 9678

B. NEW DELHI 9688

C. NEW DELHI 9768

1. SUMMARY: ABOUT 750 CONGRESSMEN FROM AROUND THE COUNTRY ATTENDED A LISTLESS ALL-INDIA CONGRESS COMMITTEE (AICC) MEETING IN NEW DELHI, JULY 19-21. THE CONFEREES DEBATED FOUR RESOLUTIONS (POUCHED TO NEA/INC) COVERING THE POLITICAL, INTERNATIONAL, "NUCLEAR" AND ECONOMIC SITUATIONS, AND A SET OF CONGRESS PARTY REFORM PROPOSALS. ALL WERE DRAWN UP PRIOR TO THE MEETING BY THE ELITE

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CONGRESS WORKING COMMITTEE (WHICH IS DOMINATED BY THE

PRIME MINISTER AND SENIOR UNION CABINET MINISTERS) AND ACCEPTED WITH ONLY INSIGNIFICANT CHANGES AT THE END OF THE CONFERENCE. MRS. GANDHI, HER SENIOR CABINET COLLEAGUES AND NUMEROUS DELEGATES USED THE AICC ROSTRUM TO DENOUNCE THE "DESTRUCTIVE" ENDS AND "ANTI-DEMOCRATIC" METHODS OF THE J.P. NARAYAN-LED BIHAR MOVEMENT; CRITICIZED PAKISTAN FOR SWERVING FROM THE SIMLA PATH; DEFENDED INDIA'S NUCLEAR BLAST; EXHORTED FELLOW PARTY MEMBERS TOWARDS UNITY, DISCIPLINE AND SACRIFICE; APPEALED TO INDIAN YOUTHS TO FORESWEAR VIOLENCE AND TO JOIN THE CONGRESS IN PURSUING ITS REVOLUTION; AND WARNED OF FURTHER STILL ANTI-INFLATIONARY MEASURES AHEAD, PARTICULARLY WITH REGARD TO BLACK MONEY AND AGRICULTURAL TAXATION. A GENERAL APATHY AMONG THE DELEGATES DURING THE CONFERENCE SUGGESTS THAT THE PARTY APPARATUS, REFORMED OR NOT, WILL CONTINUE TO PROVIDE LITTLE IF ANY SUPPORT TO MRS. GANDHI IN IMPLEMENTING HER POLICIES. END SUMMARY.

2. THE JULY 19-21 ALL INDIA CONGRESS COMMITTEE (AICC) CONCLAVE IN NEW DELHI FOLLOWED THE ROUTINE PATTERN OF AICC MEETINGS SINCE THE 1969 GREAT SPLIT IN THE CONGRESS PARTY. (THE LAST SESSION WAS IN SEPTEMBER 1973.) THE ELITE NINETEEN-MEMBER CONGRESS WORKING COMMITTEE, WHICH IS DOMINATED BY MRS. GANDHI AND FIFTEEN UNION CABINET AND STATE CHIEF MINISTERS, DREW UP FOUR POLICY RESOLUTIONS AND A SET OF CONGRESS PARTY REFORM PROPOSALS IMMEDIATELY BEFORE THE CONFERENCE AND STAGE-MANAGED THEIR ULTIMATE ACCEPTANCE WITH ONLY MINOR AMENDMENTS. A GOOD NUMBER OF THE 750 DELEGATES USED THE ROSTRUM TO WRING THEIR HANDS OVER RISING PRICES, ESSENTIAL COMMODITY SHORTAGES, THE BIHAR MOVEMENT AND PARTY DISUNITY. ONLY A VERY FEW CHOSE TO CRITICALLY RELATE THESE PROBLEMS TO THE CONGRESS/GOI LEADERSHIP. THE VARIOUS SESSIONS WERE LIGHTLY ATTENDED, EXCEPT DURING SPEECHES BY MRS. GANDHI, CONGRESS PRESIDENT SHARMA AND SENIOR CABINET MINISTERS RAM, CHAWAN AND SWARAN SINGH. THE GENERAL QUALITY OF THE DEBATE WAS TYPIFIED BY A PROLONGED AND HEATED CONTROVERSY ON THE WEARING OF KHADI WHICH WAS ONLY TERMINATED BY THE INTERVENTION OF MRS. GANDHI WITH A COMPROMISE.

3. THE CONFERENCE'S SESSIONS COINCIDED WITH THE TOPICS
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OF THE FOUR CONGRESS WORKING COMMITTEE RESOLUTIONS AND
PARTY REFORM:

A. POLITICAL:

HARD KNOCKS FOR J.P. NARAYAN AND HIS ANTI-CORRUPTION MOVEMENT IN BIHAR WERE THE MAIN FARE OFFERED IN SPEECHES BY MRS. GANDHI, CONGRESS PRESIDENT SHARMA, WEST BENGAL CHIEF MINISTER S.S. RAY AND DOZENS OF OTHER CONGRESSMEN DURING

THE DEBATE ON THE POLITICAL RESOLUTION. MRS. GANDHI EMPHASIZED INFLATION AND NOT CORRUPTION (NARAYAN'S THEME) AS THE GRAVEST MENACE CONFRONTING THE COUNTRY. SHE HAILED THE RECENT ANTI-INFLATIONARY ORDINANCES ADOPTED BY THE GOI, WARNED OF FURTHER MEASURES AHEAD, DESPITE POSSIBLE ADVERSE POLITICAL CONSEQUENCES FOR CONGRESS, AND ARGUED THAT MOVEMENTS SUCH AS THOSE IN BIHAR AND GUJARAT DISRUPTED EFFORTS TO INCREASE AGRICULTURAL AND INDUSTRIAL PRODUCTION. SHE INDIRECTLY RIDICULED NARAYAN FOR THE INCONSISTENCY BETWEEN HIS "HIGH MORAL TONES" AND HIS ASSOCIATION WITH "REACTIONARY GROUPS", SUCH AS THE JANA SANGH AND THE RSS. REFLECTING THE GROWING CONCERN IN GOI CIRCLES ABOUT THE YOUTH UNREST WHICH AS SHAKEN GUJARAT AND BIHAR, SHE URGED STUDENTS TO REJECT VIOLENCE AND BEND THEIR EFFORTS TO PURSUING THE SOCIALIST GOALS SET DOWN BY CONGRESS.

B. INTERNATIONAL:

(REFTELS A AND B) THE ANTI-PAKISTAN ORIENTATION OF THE RESOLUTION ON THE INTERNATIONAL SITUATION AND SWARAN SINGH'S SPEECH SET THE TONE FOR THE FOREIGN AFFAIRS SESSION OF THE CONFERENCE. IN INAUGURATING THE DEBATE, KASHMIR CHIEF MINISTER MIR QUASIM USED STRIDENT TERMS TO WARN PAKISTAN AGAINST INTERFERENCE IN THE ABDULLAH-GOI TALKS AND DECLARED THAT KASHMIR WAS STRICTLY AN INTERNAL INDIAN AFFAIR. MANY DELEGATES PAID TRIBUTE TO THE US AND USSR EFFORTS TOWARDS DETENTE. REFERENCES TO BOTH THE US AND USSR WERE FEW AND IN LOW KEY. SEVERAL AMENDMENTS ON DIEGO GARCIA WERE OFFERED BUT LATER REJECTED. THE INITIALS "CIA" WERE NEVER UTTERED*

C. NUCLEAR:

NUCLEAR TEST COMMENTS WERE REPORTED IN REF C.

D. ECONOMIC:

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GOI SPOKESMEN, INCLUDING THE PRIME MINISTER, DEFENSE MINISTER RAM, AND FINANCE MINISTER CHAWAN STRESSED THEIR DETERMINATION TO DEAL DECISIVELY WITH INDIA'S BLEAK ECONOMIC SITUATION. EACH WARNED OF FURTHER DRASTIC ANTI-INFLATIONARY MEASURES AGAINST BLACK MONEY AND THOSE "OUTSIDE THE TAX NET," ESPECIALLY FARMERS AND PROFESSIONALS. THE PRIME MINISTER EMPHASIZED THAT SOLUTIONS TO "BLACK MARKETEERING," "CORRUPTION," AND "BLACK MONEY," ALSO REQUIRED MASS PUBLIC AWARENESS, COOPERATION AND COMMITMENT. (THERE WAS LITTLE APPLAUSE AT THIS.) BOTH RAM AND CHAWAN DOWNPLAYED PROSPECTS OF FOOD SHORTEXES, CLAIMING THAT THE FOOD PROBLEM WAS ONE OF DISTRIBUTION AND NOT PRODUCTION. THERE WERE SHARP CLASHES BETWEEN URBAN-BASED "LEFTISTS" CALLING FOR MORE GOVERNMENT CONTROLS OVER THE AGRICULTURAL SECTION AND REPRESENTATIVES OF CONGRESS'

LARGE CONSERVATIVE FARM LOBBY. MANY DELEGATES HIGHLIGHTED INDIA'S LITANY OF ECONOMIC PROBLEMS. FEW OFFERED ANY CONCRETE SUGGESTIONS FOR SOLUTIONS.

E. PARTY REFORM: THE CONFERENCE DEBATED AND THEN APPROVED WITH MINOR AMENDMENTS A STRING OF NEW PROPOSALS CHIEFLY AIMED AT DISCIPLINING AND STREAMLINING THE CONGRESS PARTY. THE PROPOSALS, WHICH SHOW LITTLE POTENTIAL FOR BEING EFFECTIVELY IMPLEMENTED, CALL FOR STRICTER MEMBERSHIP CRITERIA PRIMARILY DESIGNED TO WEED OUT THE "BOGUS" MEMBERS IN THE PARTY (OVER 50 PERCENT OF THE PRIMARY MEMBERSHIP), MORE TRAINING FOR PARTY MEMBERS, AND DISCIPLINARY PROCEDURES AGAINST CONGRESSMEN WHO CARRY THEIR DIFFERENCES OUTSIDE THE PARTY OR DISOBEY PARTY STRUCTURES.

4. COMMENT: NONE OF THE SENSE OF "WAR" THAT MRS. GANDHI HAS BEEN SAYING IS THE SPIRIT WITH WHICH THE ECONOMIC WOES OF INDIA MUST BE APPROACHED WAS VISIBLE AT THE CONGRESS MEETING. LISTLESS, BORED, UNCONVINCED, DISINTERESTED ARE THE WORDS DESCRIBING THE OVERWHELMING MAJORITY OF DELEGATES DURING LONG SPEECHES ON GOI ECONOMIC POLICY AND CONGRESS PARTY REFORM BY SENIOR PARTY/GOI LEADERS. IN THE END, THE AICC MEETING ILLUSTRATED THAT MRS. GANDHI MAY NOT GET MUCH RESISTANCE TO HER POLICIES FROM THE BULK OF THE CONGRESSMEN WHO ATTENDED; BUT NEITHER WILL SHE GET MUCH EFFECTIVE SUPPORT FOR HER POLICIES FROM AN ACTIVE PARTY ORGANIZATION WHERE LIMITED OFFICIAL USE

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IT COUNTS THE MOST - DOWN AT THE DISTRICT AND STREET LEVEL.

5. COPIES OF THE AMENDED AICC RESOLUTIONS AND THE CONGRESS PARTY CONSTITUTION AMENDMENTS ARE BEING POUCHED TO THE DEPARTMENT.
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